



# Financial Literacy & Kids

**We believe it's never too early to learn about money and money management. Teaching children financial literacy skills will benefit them now and for the rest of their lives. Here are some tips to help**

- As your child learns to count, introduce them to money (coins and their value)
- Kids know money does not grow on trees, but they can think the bank just gives anyone money. Explain to them what you do to earn your money and how the bank keeps your money safe until you need it, and provides you a return for the time you leave it with them.
- Show them what items and activities cost money and what fun activities are free.
- Take your child shopping and explain the difference between “things you want” versus “things you need”.
- Play money games like the Game of Life or Monopoly. There are many apps online that teach children money management.
- Teach them comparison shopping – coupons, flyers, online shopping versus in-store shopping. (Remember online parental controls/safeguards).
- When a child receives an allowance take them to a bank to open a savings account. Teach them the concept of “paying yourself first” and saving 10% of what they earn.
- Invite the kids to be part of creating the family budget. Allow them to provide input on certain items.
- Step back and let children make their own purchases. It's better to learn the consequences of poor spending decisions while they are young than when they are older.
- Teach children the concept of credit and the correct usage of credit cards. Remind them that using a credit card is still spending money. It means “owing” money to someone or a company.
- When a child reaches a certain age they begin to consider life after high school. Have an open discussion about financing a post-secondary education and expenses when living on their own.

## Here are some websites with more information that you may find helpful.

**Practical Money Skills Canada**  
[www.practicalmoneyskills.ca/games](http://www.practicalmoneyskills.ca/games)  
Financial Literacy for Everyone

**Inspire Financial Learning**  
[www.inspirefinanciallearning.ca](http://www.inspirefinanciallearning.ca)  
Articles, tips and lesson plans for helping and teaching children financial literacy concepts.

**Investopedia**  
[www.investopedia.com](http://www.investopedia.com)  
Articles such as, Your Bad Financial Habits Can Hurt Your Kids; Five Ways to Teach Your Kids the Value of A Dollar.

**PBS Kids**  
[www.pbskids.org/itsmylife/games/mad\\_money\\_flash.html](http://www.pbskids.org/itsmylife/games/mad_money_flash.html)  
Fun game called Mad Money for tweens and teens to learn the concept of money management. An American web-based game, but still gives great tips for Canadian children.

**Canadian Living**  
[www.canadianliving.com](http://www.canadianliving.com)

**Money As You Grow**  
[www.moneyasyougrow.org](http://www.moneyasyougrow.org)  
This is an American site, but still gives great tips that can be adapted for a Canadian family.